AMENDED IN ASSEMBLY MAY 7, 2014

CALIFORNIA LEGISLATURE—2013-14 REGULAR SESSION

ASSEMBLY BILL

No. 1586

Introduced by Assembly Member Holden (Principal coauthor: Assembly Member Brown)

February 3, 2014

An act to amend Section 10353 of the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 1586, as amended, Holden. Public contracts: hiring: priority consideration.

Existing law requires that specified contracts, in an amount that exceeds \$200,000, entered into by any state agency for services contain a provision requiring the contractor to give priority consideration in filling vacancies in positions funded by the contract to qualified recipients of CalWORKs aid.

This bill would also require the contract provision to include priority consideration, as defined, for qualified job applicants who are receiving or have exhausted entitlement to unemployment insurance benefits, veterans of the Armed Forces or the National Guard, on parole or were formerly convicted of a crime for which time was served in state prison, and residents of a targeted employment area, as defined.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

2 **AB 1586**

The people of the State of California do enact as follows:

SECTION 1. Section 10353 of the Public Contract Code is 2 amended to read:

- 10353. (a) (1) A contract in an amount in excess of two hundred thousand dollars (\$200,000) that is governed by the provisions of this part shall contain a provision requiring the contractor to give priority consideration in filling vacancies in positions funded by the contract to qualified job applicants who are one or more of the following:
- (A) Recipients of aid under Chapter 2 (commencing with Section 11200) of Part 3 of Division 9 of the Welfare and Institutions Code, in accordance with Article 3.9 (commencing with Section 11349) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code.
- (B) Receiving or have exhausted entitlement to unemployment insurance benefits.
 - (C) Veterans of the Armed Forces or the National Guard.
- (D) On parole or were formerly convicted of a crime for which time was served in state prison.

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- (C) Residents of a targeted employment area, as defined in former Section 7072 of the Government Code as in effect on December 31, 2013.
- (2) "Priority consideration" means that a contractor shall hire all qualified job-applicants applicants, as determined by the employer, who meet one or more of the criteria specified in subparagraphs (A) to (E), (A) to (C), inclusive, of paragraph (1)and who apply within five working days of the listing of the job opening with the Employment Development Department, before hiring any other applicant.
- (b) This section and Article 3.9 (commencing with Section 11349) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code shall not be applicable to any contracts for a project as defined in Section 10105.
- (c) This section and Article 3.9 (commencing with Section 34 35 11349) of Chapter 2 of Part 3 of Division 9 of the Welfare and 36 Institutions Code shall not be construed so as to do any of the 37 following:

-3- AB 1586

(1) Interfere with or create a violation of the terms of valid collective bargaining agreements.

- (2) Require the contractor to hire an unqualified recipient of aid.
- (3) Interfere with, or create a violation of, any federal affirmative action obligation of a contractor for hiring disabled veterans or veterans of the Vietnam era.
- (4) Interfere with, or create a violation of, the requirements of Section 12990 of the Government Code.
- (d) If waivers are deemed necessary to implement this section and Article 3.9 (commencing with Section 11349) of Chapter 2 of Part 3 of Division 9 of the Welfare and Institutions Code, and if the State Department of Social Services has not obtained these waivers from the federal government by March 1, 1985, the department shall report on the barriers to the waivers and the expected date of waiver approval.
- 17 (e) This section is not applicable to consulting services contracts.